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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Revised estimates for the International Seabed Authority for 1996

Report of the Secretary-General

A. Background

1. At the conclusion of the final part of its first session, held at Kingston from 7 to 18 August 1995, the Assembly of the International Seabed Authority decided, inter alia, to request the Secretary-General of the United Nations to submit to the General Assembly at its fiftieth session, on behalf of the Authority, a draft budget covering the administrative expenses of the Authority for 1996. The Assembly of the Authority also requested the Secretary-General to convey to the General Assembly the interim arrangements for the secretariat of the Authority in the context of the 1996 budget proposals. The present report is submitted to the General Assembly in response to the requests of the Assembly of the Authority.

2. The General Assembly, in its resolution 48/263 of 28 July 1994, decided to fund the administrative expenses of the International Seabed Authority until the end of the year following the year during which the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea entered into force.

3. The International Seabed Authority is the organization through which States parties to the Convention shall organize and control all activities of exploration for, and exploitation of, the resources of the international seabed Area, particularly with a view to administering the resources of the Area.

4. As the Agreement has not yet entered into force, the administrative expenses of the Authority in 1996 are still to be met through the budget of the United Nations. In addition, the assumption of the Preparatory Commission for

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the International Seabed Authority and for the International Tribunal for the Law of the Sea that the Secretary-General of the Authority would be in a position to prepare the budget for 1996 was not realized. The Council, a 36-member executive organ of the Authority, responsible for proposing candidates for the position of the Secretary-General of the Authority, has not yet been established, and thus the election of the Secretary-General has not taken place. Once the Secretary-General of the Authority enters on duty it will be his responsibility to draft the annual budget of the Authority.

5. Since it was not possible to establish the Council and therefore to elect the Secretary-General of the Authority during the third and final part of the first session of the Assembly of the Authority, it was necessary to make certain contingency arrangements, which are described below.

B. Developments during the recently concluded session of the Assembly of the Authority

6. The Assembly of the Authority recognized that the budgetary provisions of the Authority in 1996 were dependent upon the election of the members of the Council of the Authority and the election of the Secretary-General of the Authority from among the candidates to be proposed by the Council. Since neither election had been held, and the Secretary-General of the Authority could be elected at the earliest only during the next session of the Assembly, in March 1996, the Assembly decided to request the Secretary-General of the United Nations to submit to the General Assembly at its fiftieth session, on behalf of the Authority, a draft budget covering the administrative expenses of the Authority for 1996, including the costs of convening and servicing meetings of the Authority as necessary.

7. Under the previous assumption that the Secretary-General of the Authority would be elected during the session of the Assembly of the Authority to be held in February-March 1995 and that the secretariat of the Authority would be in place by 1 October 1995, the Preparatory Commission had recommended, and the Secretary-General had planned to abolish the Kingston Office for the Law of the Sea on 30 September 1995 (see A/C.5/49/25). To cover the gap between 1 October 1995 and the time the secretariat of the Authority was initiated by the Secretary-General of the Authority himself, the Assembly of the Authority decided to request that the staff and facilities currently available to the Kingston Office be continued as the interim secretariat of the Authority as from 1 October 1995. It also authorized the Secretary-General of the United Nations to administer the interim secretariat until the entry on duty of the Secretary-General of the Authority. At the same time, the Assembly authorized the Secretary-General of the United Nations to cover the costs of the interim secretariat until December 1995 from the resources appropriated for the Authority under the regular budget of the United Nations.

C. Programme of work of the various organs of the Authority for 1996

1. The Assembly

8. Pursuant to its agenda, the work of the Assembly in 1996 is expected to include the following matters:

(a) Finalization of the draft Agreement between the Authority and the Government of Jamaica regarding the Headquarters of the Authority (referred to as the Headquarters Agreement);

(b) Finalization of the draft Protocol on Privileges and Immunities of the Authority;

(c) Finalization of the draft Agreement concerning the Relationship between the United Nations and the Authority (referred to as the Relationship Agreement);

(d) Follow-up to the decisions taken by the Preparatory Commission on the implementation of resolution II of the Third United Nations Conference on the Law of the Sea governing preparatory investment in pioneer activities relating to polymetallic nodules, especially the review of the reports of the registered pioneer investors and the administration and merger of the regime for the pioneer investors with the regime established in part XI of the Convention and the Agreement;

(e) Finalization of the transfer of the property and records of the Preparatory Commission to the Authority;

(f) Approval of the budget for 1997;

(g) Financial organization;

(h) Follow-up to the training programme initiated by the Preparatory Commission;

(i) Organization of the secretariat of the Authority.

2. The Council

9. Pursuant to its draft agenda, the Council's work during 1996 is expected to include the following matters:

(a) Follow-up to the decisions taken by the Preparatory Commission on the implementation of resolution II;

(b) Follow-up to the training programme;

(c) Organization of the secretariat;

(d) Review of the budget for 1997;

(e) Financial organization;

(f) Relationship Agreement;

(g) Preparations for consideration, with a view to adoption, of the rules, regulations and procedures necessary for the conduct of activities in the Area as they progress and of rules, regulations and procedures incorporating applicable standards for the protection and preservation of the marine environment;

(h) Consideration of applications for approval of plans of work, if any.

3. The Finance Committee

10. The work of the Finance Committee in 1996, in accordance with section 9 of the annex to the Agreement, is expected to include:

(a) Drafting financial rules, regulations and procedures of the organs of the Authority and the financial management and internal financial administration of the Authority;

(b) All relevant financial matters, including the review of the proposed budget for 1997 and the financial aspects of the implementation of the programme of work of the secretariat for 1997;

(c) Financial obligations of States parties arising from the implementation of part XI of the Convention and the Agreement as well as the administrative and budgetary implications of proposals and recommendations involving expenditure from the funds of the Authority.

4. The Legal and Technical Commission

11. Pursuant to articles 164 and 165 of the Convention and bearing in mind the terms of the annex to the Agreement (sect. 1, para. 4), the work of the Legal and Technical Commission in 1996 is expected to include:

(a) Reviewing formal written plans of work, if any, and submitting appropriate recommendations to the Council;

(b) Preparatory work for assessment of the environmental implications of activities in the Area;

(c) Preparatory work with a view to formulating and submitting to the Council rules, regulations and procedures necessary for the conduct of activities in the Area as they progress and of rules, regulations and procedures incorporating applicable standards for the protection and preservation of the marine environment;

(d) Background work with a view to reviewing the trends of and the factors affecting supply, demand and prices of materials which may be derived from the Area, bearing in mind the interests of both importing and exporting countries, in particular of the developing States among them;

(e) Background work with a view to examining any situation likely to have adverse effects on the economies or export earnings of developing countries resulting from seabed production.

12. The Assembly of the Authority has requested two sessions of the Authority in 1996, one in March 1996 of up to three weeks' duration, if necessary, and the other in August 1996 of up to two weeks' duration. Bearing in mind the principle of cost-effectiveness and expediency, it is assumed that the sessions of the Assembly and, after their establishment, of the Council, the Finance Committee and the Legal and Technical Commission will be held concurrently at Kingston.

5. The secretariat

Parliamentary services

13. The secretariat would provide substantive and administrative servicing of the meetings of the organs of the Authority. Substantive servicing would include preparation of background information papers, working papers, negotiating texts, reports on the sessions and final versions of documents, as well as providing assistance for the efficient conduct of meetings and information, advice and assistance on substantive matters to the bureaus of the respective organs and delegations. Administrative servicing of meetings would include organizing and administering temporary personnel for meetings; travel of meeting-related staff; rental and maintenance of conference facilities and additional office space during meetings; acquisition, rental, maintenance and operation of conference-related equipment; local transportation; communications; freight; supplies and materials including documentation, etc. It is reasonable to expect that for the March 1996 session of the Authority, the interim secretariat of the Authority would require substantial support from the United Nations Secretariat.

Conference services

14. Conference servicing, which includes planning and coordination of meetings, interpretation, translation, documents control, processing and delivery, would be the responsibility of the secretariat of the Authority. However, for the time being, until the Secretary-General of the Authority is elected and the secretariat established, the Office of Conference and Support Services of the United Nations Secretariat would provide such conference servicing, and the programme of work for the two sessions of the Authority in 1996 would be accommodated within the framework of the overall calendar of conferences of the United Nations for the biennium 1996-1997.

Administrative support services

15. During the start-up period, one of the major areas of work of the secretariat would be to put in place procedures and systems of financial management and internal administration and institutional arrangements. These include procedures and systems of budgeting and financial control, including accounting and internal auditing; financial administration, including treasury and payroll matters; personnel recruitment, administration and management; and general administration, including purchases and procurement, transportation, printing and reproduction and security matters. The adaptation and preparation of draft rules, regulations and procedures concerning the internal administration and financial management, including staff regulations and rules and finance manual, as well as the preparation of a plan or strategy for the medium term, the programme of work for 1997 within the framework of that plan and the budgetary estimates to implement that programme of work in 1977 constitute important parts of the work in this area.

Information services

16. Establishment of an information system and of library services would be essential activities in the start-up period in 1996. The existing information system and the library of the Kingston Office for the Law of the Sea could be utilized. However, these have to be adapted and built upon for the specific purposes of the Authority itself. Information activities involve a number of steps, including identifying and monitoring information sources, collecting and processing raw data for the specific purposes, inputting processed data, and retrieving and custom-tailoring outputs from the system. Similarly, library services involve a number of steps, including acquisition of relevant publications, cataloguing and organizing acquisitions, and referencing and retrieving library holdings.

17. In addition to the activities described above, the secretariat of the Authority would be called upon to perform in 1996 two other categories of activities, relating to published material and coordination, harmonization and liaison.

Published material

18. With respect to published material, it is understood that the secretariat of the Authority would publish two brochures in 1996 - one on the Authority itself and the other on the status of seabed mining activities.

Coordination, harmonization and liaison

19. With respect to coordination, harmonization and liaison, it is essential for the secretariat of the Authority to initiate in 1996 the process of coordination and liaison with organizations of the United Nations system, other international organizations and non-governmental organizations in respect of deep seabed mining, science and technology for the deep seabed and the environmental issues related to the deep seabed.

20. As to the interim secretariat, it would be responsible for the substantive and administrative servicing of the March 1996 session of the Assembly. In addition, it would initiate some of the preparatory work so that the organizational matters can be dealt with efficiently in the start-up phase. This would include preparatory work for the administrative and support activities, as well as information activities.

D. Draft budget of the International Seabed Authority for 1996

21. Under the circumstances, the most realistic projection is that the Secretary-General of the Authority would be elected, at the earliest, in March 1996 and would enter on duty together with part of the start-up staff in April 1996. He would then continue the organizational work with the full contingent of 23 start-up staff as from June 1996. In the meantime, the interim secretariat would initiate some of the preparatory work so that the organizational matters can be dealt with efficiently in the start-up phase. In the present report, the recommendations of the Preparatory Commission have been considered as guidelines and the programme of work for 1996 and its corresponding resource requirements have been adjusted taking these circumstances into account.

22. The Assembly of the Authority and the President of the Assembly also provided guidelines for the preparation of the budget. Attention was drawn to the need to include the costs of the 1996 sessions of the Assembly and the cost of providing, through the facilities and staff of the Kingston Office for the Law of the Sea, interim secretariat services for the Authority for the period from January 1996 until the entry on duty of the Secretary-General of the Authority.

23. The United Nations Secretariat has been requested by the President of the Authority to provide for two sessions of the Authority in 1996, as follows:

(a) The first session is to be held from 11 March 1996 for up to three weeks, if necessary, principally for the purpose of electing the Council and the Secretary-General and establishing the Finance Committee;

(b) The second session is to be held for up to two weeks from 5 August 1996, primarily for the Finance Committee, the Council and the Assembly to consider and decide on the budget and to establish the Legal and Technical Commission. During this session, the Assembly and the Council, as far as practicable, will also consider the other items on their agenda.

24. The Assembly of the Authority has already adopted its agenda and completed consideration of some of the items. The remaining items will be included in its programme of work for 1996. The draft agenda of the Council is expected to be considered in 1996. The agenda of the Finance Committee and of the Legal and Technical Commission have not yet been prepared, but can be projected from the provisions of section 9 of the annex to the Agreement, and articles 164 and 165 of the Convention, respectively, and from the agenda of the Assembly and the Council. The programme of work of the secretariat of the Authority would arise from the programmes of work of the four organs of the Authority. In addition,

during the start-up period, a number of institutional and administrative matters have to be put in place by the secretariat.

25. The total budget relating to the Authority in 1996 amounts to $2,656,800 and consists of $1,318,900 for conference servicing expenses and $1,337,900 for expenses of the secretariat. Unless otherwise indicated, in most cases, resource estimates were patterned after the practical and budgetary experiences undergone by the Kingston Office of the Law of the Sea.

1. Conference servicing

26. On the basis of the assumptions about the work programme with regard to conference servicing of the Assembly of the Authority, set out in table 1, the full cost of conference servicing in 1996 is estimated at $1,318,900. (For details of the sessions, see para. 23 above.) These costs will be met from the resources to be appropriated under section 26E of the proposed programme budget for the biennium 1996-1997 (see para. 14 above).

Table 1

Work programme with regard to conference servicing of the Authority during 1996

Organ	Number of sessions	Total duration of sessions	Number of meetings each working day	Number of official languages per session	Pages of documentation
Assembly	2	4 weeks	2	6	250
Council	2	3 weeks	2	6	320
Finance Committee	1	2 weeks	2	1	150

2. The secretariat

27. In summary, the administrative expenses of the secretariat of the Authority in 1996 are estimated to be $1,337,900, as shown in table 2.

Table 2

Estimated administrative expenses of the International Seabed Authority in 1996

(Thousands of United States dollars)

Object of expenditure	
Established posts	469.8
Temporary assistance for meetings	50.4
General temporary assistance	54.4
Consultants	20.0
Overtime	6.8
Common staff costs	198.7
Representation allowance	4.6
Travel of staff to official meetings	41.1
Other official travel	23.6
External printing and binding	5.0
Rental and maintenance of premises	280.2
Rental and maintenance of furniture and equipment	30.0
Local transportation	18.0
Communications	38.8
Official functions	4.2
Freight	25.2
Miscellaneous services	3.6
Supplies and materials	22.3
Acquisition of furniture and equipment	41.2
Total	1 337.9

Posts

28. For the period from 1 January to 31 March 1996, staffing resources are estimated at the same number and level as those of the Kingston Office for the Law of the Sea, i.e., 1 P-5, 2 P-2 and 11 Local Level staff. It is expected that during the period from 1 April to 31 May 1996 the Secretary-General of the Authority will enter on duty, together with a Legal Officer at the P-5 level, who would assist the Secretary-General in legal matters, especially with regard to the Headquarters Agreement, the Protocol on Privileges and Immunities and the Relationship Agreement. Furthermore, it is assumed that 2 General Service (Local level) staff would also enter on duty as personal assistant and secretary, respectively, to the Secretary-General. During this period, the Secretary-General would also have at his disposal the staff of the interim secretariat. Thereafter, the post requirements would be a contingent of 23 staff as recommended by the Preparatory Commission for the purpose of carrying out the start-up activities. Staff requirements are 1 USG, 1 D-2, 2 P-5, 2 P-2 and 17 Local Level staff and their functions were laid down as follows:

1 USG Secretary-General

Chief Administrative Officer of the Authority

1 D-2 Deputy to the Secretary-General

Secretary to the Assembly;

General oversight of conference preparation;

Oversight of the preparation of documents;

Support for the Secretary-General;

Interim Director-General of the Enterprise, the mining arm of the Authority.

1 P-5 Administrative and Finance Officer

Secretary to the Finance Committee;

Oversight of general administration, financial administration, salary and superannuation matters;

Supervision of the Personnel Officer and General Service staff other than those supervised by the other Officers.

1 P-5 Legal Officer

Secretary to the Council;

Assistance to the Council and the Assembly on the completion of the Headquarters Agreement, the Relationship Agreement and the Protocol on Privileges and Immunities (on the basis of existing drafts);

Advice on employment contracts;

Supervision of the resolution II and rules, regulations and procedures Officer.

1 P-2 Resolution II and rules, regulations and procedures Officer

Assistance to the Council in the preparation of documentation relating to the implementation of resolution II, rules, regulations and procedures necessary for the conduct of activities in international seabed area as they progress (based on existing drafts) and applications for approval of plans of work, if any.

1 P-2 Personnel Officer

General staff matters, recruitment, office and travel administration.

1 G-S Personal assistant to the Secretary-General

1 G-S Secretary to the Secretary-General

1 G-S Research assistant to the Deputy to the Secretary-General

1 G-S Secretary to the Deputy to the Secretary-General

1 G-S Secretary to the Administrative and Finance Officer

2 G-S Administrative assistants to the Administrative and Finance Officer

1 G-S Secretary to the Legal Officer

1 G-S Research assistant to the Resolution II and rules, regulations and procedures Officer

1 G-S Administrative assistant to the Personnel Officer

1 G-S Data and information assistant

1 G-S Administrative assistant

1 G-S Receptionist

1 G-S Driver

1 G-S Manual worker/back-up driver

2 G-S Security Officers.

29. It is also assumed that the staff of the secretariat will be remunerated according to the common system of the United Nations system of organizations.

Temporary assistance for meetings

30. The estimated requirements of $50,400 relate to the performance of a whole range of additional services which include secretarial assistance, services of documents clerks, mimeograph and photocopy machine operators, messengers, manual workers, sound recording assistants and security guard services for the purpose of providing support to the conference servicing personnel.

General temporary assistance

31. The provision of $54,400 is required to provide support services at the general service level such as those of additional secretaries, administrative assistants, research assistants, data and information assistants, library assistants and messengers. The substantive and administrative servicing of the August 1996 session of the Authority would be provided by the secretariat of the Authority with support from the United Nations Secretariat. However, the staff of the secretariat of the Authority may require assistance to familiarize themselves with the planning and preparatory process for meeting servicing. This requirement will be met by temporary assistance at the professional level for three months.

Consultants

32. The provision of $20,000 is required to put in place the various systems of internal administration and the information system. Certain types and levels of expertise would not be available in-house, necessitating the recruitment of expertise from external sources.

Overtime

33. Overtime requirements of $6,800 relate to secretarial and other types of assistance during peak workload periods, especially during meetings, and to the implementation of administrative arrangements.

Travel of staff to official meetings

34. The resources of $41,100 relate to travel of substantive personnel from the Office of Legal Affairs and a sound technician from Support Services, who may be required to reinforce the staff of the Authority to service the meetings of the organs of the Authority.

Other official travel

35. The estimated requirements of $23,600 relate to travel of the Secretary-General of the Authority, his Deputy, the Administrative and Finance Officer, the Legal Officer and other officers to United Nations Headquarters to initiate and implement various arrangements to be made during the organizational phase, as well as for consultations with other organizations.

External printing and binding

36. The estimated requirements of $5,000 relate to the publication in 1996 of two brochures, one on the Authority itself and the other on the status of seabed mining.

Rental and maintenance of premises (including utilities)

37. The provision of $280,200 relates to rental of office premises and conference facilities at Kingston, and is based on the assumption that the terms and conditions would be the same as those prevailing in 1994 and 1995 for the

Kingston Office for the Law of the Sea, pending the completion of the Agreement between the Authority and the Government of Jamaica.

Rental and maintenance of furniture and equipment

38. The provision of $30,000 relates to rental and maintenance of furniture and equipment, especially large reproduction equipment required during the meetings for producing multiple copies of documents.

Local transportation

39. The provision of $18,000 relates to rental of vehicles in connection with the servicing of the meetings of the organs of the Authority.

Communications

40. The estimated requirements of $38,800 relate to communication requirements and to increased needs arising in relation to servicing the meetings of the organs of the Authority. In particular, communication with United Nations Headquarters would be essential with regard to the organizational work of the secretariat of the Authority, and meeting arrangements. Increased communication requirements are projected bearing in mind the special needs of the secretariat during its organizational phase, particularly in contacting officials in capitals of various member States as well as officials in headquarters of international organizations.

Official functions

41. An estimate of $4,200 is provided for official functions.

Freight

42. The estimated freight requirements of $25,200 relate to shipment of equipment and documents to the meetings of the organs of the Authority.

Miscellaneous services

43. The estimated requirement of $3,600 relate to general insurance and bank charges.

Supplies and materials

44. The provision of $22,300 relates to purchases of stationery and other office supplies and library books and journals for the Authority's library and reference collection.

Acquisition of furniture and equipment

45. The provision of $41,200 includes $31,200 relating to purchases of computer equipment and the replacement of a vehicle, and a non-recurring expenditure of $10,000 to cover any contingencies or unforeseen requirements. At the outset, as the institution commences functioning, despite the transfer of furniture and

equipment from the Kingston Office for the Law of the Sea to the Authority, certain additional office equipment and furniture would need to be purchased. Possible items falling under this category include electronic data-processing equipment and furniture for the offices and the library. One of the two vehicles to be transferred from the Kingston Office to the Authority is more than six years old.

E. Action required by the General Assembly

46. The programme budget for 1994-1995 included an appropriation of $776,000 for the initial administrative expenses of the Authority in 1995. In the proposed programme budget for the biennium 1996-1997, the 1994-1995 appropriation was retained in the resource base for 1996-1997, pending submission of the budget of the Authority to the General Assembly at its fiftieth session. The budget of the Authority for administrative expenses amounts to $1,337,900. Consequently, an additional appropriation of $561,900 would be required under section 33.

47. As indicated in paragraph 7 of the statement of programme budget implications submitted in connection with the adoption of resolution 48/263 (A/C.5/48/80), the Secretary-General intends to transmit to the General Assembly on an annual basis the budget of the Authority as agreed by its Assembly. It remains his view that such expenses should be treated outside the procedures related to the outline and to the contingency fund.